



HOME BUILDERS ASSOCIATION OF CONNECTICUT, INC.

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*Your Home
Is Our
Business*

March 2, 2011

To: Senator Steve Cassano, Co-Chairman
Representative Linda M. Gentile, Co-Chairman
Members of the Planning and Development Committee

From: Bill Ethier, Chief Executive Officer

Re: Senate Bill 505, AAC the Assessment of New Construction

The HBA of Connecticut is a professional trade association with 1,100 member firms statewide, employing tens of thousands of Connecticut citizens. Our members, all small businesses, are residential and commercial builders, land developers, home improvement contractors, trade contractors, suppliers and those businesses and professionals that provide services to our diverse industry. Our members build 70% to 80% of all new homes and apartments in the state each year.

We support SB 505 to clarify that the provisions of sec. 12-53a should have no exceptions. Sec. 12-53a clearly states, so we thought, that new construction of real estate should not be assessed at a higher rate until the date a certificate of occupancy is issued or the date when such property is first used for its intended purpose, whichever is earlier.

Sec. 12-55(b) of the general statutes is a general provision that authorizes assessors to increase or decrease the valuation of property. To the extent this provision has been interpreted to allow a higher assessment on property that has been approved for new construction, yet prior to the issuance of a certificate of occupancy or actual use of the property as intended, **SB 505 is necessary to clarify the important limitations in sec. 12-53a.**

New construction, under any circumstances, should not be assessed and taxed at higher rates prior to its legally authorized occupancy or its occupancy in fact, whichever is earlier. To allow such higher assessment prior to such time is simply unfair taxation.

Thank you for considering our comments on this legislation.

"Leading Our Members to Professional Excellence."

Serving the Residential Development & Construction Industry Through Advocacy, Education & Networking